GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2789
ANSWERED ON:20.03.2002
MARKETING COMPANY FOR KVIC
VIRENDRA KUMAR

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether the Government are aware of the employment potential of Khadi and Village Industries;

(b) if so, whether the Government propose to lay emphasis on promotion of Khadi and Village Industries during the Tenth Five Year Plan;

(c) if so, the steps taken in that regard;

(d) whether any marketing company is proposed to be created for KVIC; and

(e) if so, the steps taken in this regard?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

(a): Yes, Sir.

(b) & (c): The Government through the Khadi and Village Industries Commission (KVIC) is already implementing the Rural Employment Generation Programme (REGP) throughout the country for the development of Khadi and Village Industries. It has been decided to continue the REGP during the 10th Plan period i.e. upto 31.3.2007, as well. The target for the 10th Plan is to generate additional employment opportunities for 2.0 million persons. Besides the REGP, the KVIC is continuing with its other promotional activities for the KVI sector during 10th Plan period. Moreover, for the development and promotion of Khadi sector, the Government of India has announced a package on 14.05.2001. The main features of this package consist of a Rebate Policy for five years, option of rebate and Market Development Assistance (MDA), Insurance Cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.

(d) & (e): The proposal for setting up a Marketing Company under Companies Act 1956 for marketing Khadi and Village Industries products is under consideration of the Government.